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ZNR UUUUU ZZH
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FM AMEMBASSY JAKARTA
TO RUEHC/SECSTATE WASHDC PRIORITY 4222
RUEHGP/AMEMBASSY SINGAPORE 5922

UNCLAS JAKARTA 000990

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DEPT PASS FAA HQ
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SINGAPORE FOR FAA-WALSH AND TSA-SAHAGIAN

E.O. 12958: N/A
TAGS: [EAIR](#) [ECON](#) [ETRD](#) [ID](#)
SUBJECT: INDONESIA - NOTIFICATION OF FAA DOWNGRADE

REF: JAKARTA 12825

11. This is an action request - see para 9

12. (SBU) Summary. On April 4, The Charge informed Minister of Transportation M. Hatta Rajasa of the Federal Aviation Administration's (FAA) decision to downgrade Indonesia's safety oversight category to Category Two (reftel). Rajasa made few comments about the FAA decision, noting only that the last few months had been "the most difficult in my life" and asking about the economic impact of the downgrade. After further consultations on April 5, Director for Aviation Safety Iing Iskandar agreed to request within the next two weeks a FAA technical review and assistance in developing an action plan. Iskandar also confirmed plans for himself and Director General for Civil Aviation Budhi Suyitno to visit Washington D.C. and Seattle in May. In the April 4 meeting, the Charge also informed Rajasa that the Transportation Security Administration's (TSA) March 26-April 2 assessment of the Bali Airport had gone well. Suyitno replied that the DGCA intends to elevate security from under the safety directorate and promote it to a director level position, a step the TSA has encouraged for some time. End Summary.

13. (SBU) The Charge called on Transportation Minister M. Hatta Rajasa on April 5 to inform Rajasa of the FAA's decision to immediately downgrade Indonesia's safety oversight category to Category Two. At the conclusion of the meeting, we presented the letter in para 16 of reftel to Director General for Civil Aviation Budhi Suyitno. The Charge was accompanied by Mary Walsh, FAA Representative for Southeast Asia, Mel Cintron, Manager of the FAA's International Flight Standards Program, and Economic Officers.

FAA Category Two Downgrade

14. (SBU) The Charge expressed U.S. condolences on the tragic loss of life in the recent air crash. He also commended the Ministry on its recent steps including publishing airline ratings and developing a transportation safety roadmap. He informed the Minister about the FAA's decision to downgrade Indonesia to Category Two, emphasizing that the FAA had no choice but to make this decision in light of recent developments. He added that the FAA is prepared to engage with the DGCA in order to improve Indonesia's aviation safety system. Rajasa made few comments about the downgrade, noting only that the last few months had been "the most difficult in my life" and asking about the economic impact of the downgrade to Category 2.

15. (SBU) The FAA's Mary Walsh and Mel Cintron explained further the details of the FAA's decision. Cintron explained the FAA decided to downgrade Indonesia to Category Two based on a number of factors, including recent air accidents, recent changes in the DGCA

structure, public comments by GOI officials, and the recent airline ratings published by the DGCA.

¶16. (U) The GOI's Iskandar expressed concern as to why the FAA rated Indonesia when there are no Indonesian carriers with flights or code-shares to the United States. In response, Cintron clarified that since Indonesia had prior "economic authority" due to a Garuda Airline flight to Los Angeles in the mid 90's, as well as a current Category one rating, Indonesia warranted reconsideration. Also, under the USG's "no double standards" policy, the FAA has a mandate from Congress to provide international flight safety information to the American flying public.

¶17. (U) In a brief conversation after the meeting, Rajasa and Suyitno noted they found it difficult to understand why the FAA had cited recent personnel changes at the DGCA as well as the DGCA's new airline ratings system, both positive steps in their minds, as grounds for downgrading Indonesia to Category Two. They also expressed concern on the effects of the downgrade on the Indonesian tourism sector and Indonesia's campaign for a seat on the ICAO council. Walsh and Cintron assured them that the downgrade to Category Two would have no effect on the way Washington evaluates Indonesia's ICAO candidacy.

Technical Review and Visit to Washington

¶18. (U) In subsequent consultations on April 6 with Iskandar and Director of Airworthiness Yurlis Hasibuan, Iskandar offered to provide the FAA additional documents in order to avoid a downgrade to Category Two. They noted that the FAA customarily performs International Aviation Safety Assessment reviews prior to downgrading countries, but had not taken this step in Indonesia's case. In response, Walsh and Cintron emphasized the FAA decision was final and again explained the FAA criteria and the importance of undergoing a technical review and developing an action plan. Iskandar agreed the DGCA would send a letter in the next two weeks asking for an FAA technical review and assistance in developing an action plan. Iskandar also stated that DGCA intends to visit FAA and Boeing Seattle in May for consultations.

¶19. (U) Recent crashes and the FAA downgrade provide an excellent opportunity to engage with Indonesian civil aviation authorities in a significant way. We request the FAA respond to Indonesia's request for technical review as promptly as possible.

Positive TSA Assessment of Bali Nugrah Rai Airport

¶10. (U) In the April 4 meeting, the Charge informed Rajasa about the positive results of the recent TSA assessment of the Bali airport, and thanked Rajasa and Suyitno for their leadership. He noted the TSA had informed him that the airport made considerable progress in the past year and that no significant security concerns remain. Suyitno responded that the DGCA intends to use the Bali airport as a benchmark for other airports in the system. He admitted there is a lack of "safety culture" at most airports and that the DGCA is committed to improving security at all of Indonesia's airports, starting with the country's major international gateways. Suyitno added the DGCA also intends to create a stand-alone Directorate for Aviation Security, a step the TSA has long encouraged the DGCA to take. At present, the aviation

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security is handled by a unit in the sub-directorate of security under the Director of Safety.

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